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COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

AT RICHMOND, MARCH 28, 2000

APPLICATION OF

WASHINGTON GAS LIGHT COMPANY

CASE NO. PUE000167

and

SHENANDOAH GAS COMPANY

For certificates of public convenience and necessity effective upon the merger of Shenandoah Gas Company with and into Washington Gas Light Company

ORDER CANCELLING AND ISSUING NEW CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY

By Order entered on December 22, 1999, in Case No.

PUA990071, the State Corporation Commission authorized

Shenandoah Gas Company ("Shenandoah") to merge with and into

Washington Gas Light Company ("WGL" or "Company"), with WGL

being the surviving entity, subject to certain specified

conditions. Among the conditions attached to approval of the

merger, was that WGL and Shenandoah request amended certificates

showing the merged company name, and provide necessary copies of
the amended maps for the service territory and transmission

facilities.

On March 23, 2000, WGL and Shenandoah ("the Companies") filed a joint application which, among other things, requested that various certificates of public convenience and necessity currently held by Shenandoah be cancelled and new certificates of public convenience and necessity for the service territory and transmission facilities belonging to Shenandoah before the merger be issued in the name of Washington Gas Light Company, effective with the merger of the two companies on April 1, 2000. Specifically, the Companies noted that Certificate Nos. GT-26a and GT-27a, issued to Shenandoah, which authorized Shenandoah to operate a gas transmission pipeline and serve customers adjacent thereto in Warren and Frederick Counties, were now wholly subsumed within Certificates Nos. G-54a and G-44b, subsequently issued to Shenandoah by the Commission. The application maintained that these certificates were duplicative and requested that these certificates be canceled. WGL and Shenandoah further requested that the Commission cancel Certificate Nos. G-44b, G-54a, and G-55b issued in the name of Shenandoah, and issue new certificates for these territories in the name of Washington Gas Light Company, effective upon the merger of Shenandoah with and into WGL on April 1, 2000. application represented that following the merger, WGL would provide service throughout Shenandoah's current service area in Virginia through its Shenandoah Gas Division, at the same rates,

and under the same terms and conditions of service, as are currently in effect for Shenandoah.

NOW THE COMMISSION, upon consideration of our finding in our Order Granting Authority, entered on December 22, 1999, in Case No. PUA990071, is of the opinion and finds that certain of the certificates of public convenience and necessity issued in the name of Shenandoah Gas Company should be cancelled and new certificates of public convenience and necessity should be issued in the name of Washington Gas Light Company, for the service territory and transmission facilities held by Shenandoah, upon the issuance of a certificate of merger to WGL and Shenandoah, and upon the filing of new maps by WGL. Consistent with the directives in our December 22, 1999 Order Granting Authority entered in Case No. PUA990071, and the representations made in the captioned application, we expect WGL to file an appropriate application in a proceeding which includes the opportunity for customer review, comment, and request for hearing, when WGL seeks to consolidate or otherwise change the rate schedules, tariffs, purchased gas adjustment clause ("PGA clause"), and terms and conditions of service for Shenandoah Gas Company, or when WGL seeks to merge Shenandoah's schedules, tariffs, PGA clause, and terms and conditions of service with those of its own. Accordingly,

IT IS ORDERED THAT:

(1) Upon the issuance by the State Corporation Commission of a certificate of merger to Washington Gas Light Company and Shenandoah and the filing by WGL of the maps specified below, the following certificates of public convenience and necessity now in effect and issued in the name of Shenandoah shall be cancelled, namely:

Certificate No. G-44b issued to Shenandoah Gas Company, authorizing Shenandoah to furnish gas service in the City of Winchester, the Towns of Middletown and Stephens City, and in the territory shown in Frederick County;

Certificate No. G-54a issued to Shenandoah Gas Company, authorizing Shenandoah to provide gas service in the territory identified on the certificate map shown in Clarke and Warren Counties, with the exception that Columbia Gas of Virginia, Inc., may continue providing service to its customers being served as of February 17, 1984, as listed on Columbia Certificate No. G-151, and their successors, who are receiving service directly from Columbia Gas Transmission Corporation's pipeline, VB, VB-5, and VB-Loop under a commitment in their right-of-way deeds to tap the pipelines;

Certificate No. G-55b issued to Shenandoah Gas Company, authorizing Shenandoah to furnish gas service in the territory identified on maps stamped received December 3, 1982, of Shenandoah County, except within the territory identified on the certificate map which is certificated to Washington Gas Light Company and further excluding those customers of Columbia Gas of Virginia, Inc. being served in the County on February 17, 1984, and as listed on Columbia Certificate No. G-39b, and their successors, being served from mainline taps on the

transmission pipelines owned by Columbia Gas Transmission Corporation; also including Chemstone Corporation served by Columbia Gas of Virginia Line WB-2VA, which extends from Columbia Transmission Line VB, as shown on the certificate maps;

Certificate No. GT-26a, authorizing Shenandoah Gas Company to operate a gas transmission line and facilities in Warren County, and also recognizing Shenandoah's right to serve customers adjacent to said gas transmission line; and

Certificate No. GT-27a, issued to Shenandoah Gas Company, authorizing Shenandoah to operate a gas transmission line and facilities in Frederick County, and also the right to serve customers adjacent to said gas transmission line.

(2) Upon the issuance by the Commission of a certificate of merger to WGL and Shenandoah, and upon the filing of the maps specified below, new certificates of public convenience and necessity shall be issued to Washington Gas Light Company, replacing the certificates of public convenience and necessity canceled in Ordering Paragraph (1) above, and authorizing the furnishing of gas service by Washington Gas Light Company, as follows:

Certificate No. G-44c, consolidating and replacing Certificate Nos. G-44b and GT-27a, which authorizes WGL to furnish gas service to the City of Winchester, the Towns of Middletown and Stephens City, and in Frederick County, to operate a gas transmission line and facilities in Frederick County and to serve customers adjacent to said gas transmission line;

Certificate No. G-54b, consolidating and replacing Certificate Nos. G-54a and GT-26a, which authorizes WGL to furnish gas service in Clarke and Warren Counties, excluding those customers of Columbia Gas of Virginia, Inc. being served as of February 17, 1984, as listed on Columbia Certificate No. G-151, and their successors, who are receiving service directly from Columbia Gas Transmission Corporation's pipeline VB, VB-5, and VB-Loop under a commitment in their right-of-way deeds to tap the pipelines, to operate a gas transmission line and facilities in Warren County, and to serve customers adjacent to said gas transmission line; and

Certificate No. G-55c, authorizing WGL to furnish gas service in the territory outlined on the certificate map, excluding those customers of Columbia Gas of Virginia, Inc., being served in the County on February 17, 1984, and as listed on Columbia Certificate No. G-39b, and their successors, being served from mainline taps on the transmission pipelines and by Columbia Gas Transmission Corporation. Chemstone Corporation served by Columbia Gas of Virginia Line WB-2VA, which extends from Columbia Transmission Line VB shall be excluded from WGL's service area.

- (3) WGL shall forthwith file appropriate maps with the Division of Energy Regulation, delineating WGL's distribution service area in the foregoing service territories.
- (4) There being nothing further to be done herein, this matter shall be dismissed.